



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 31, 2008

RQ-2

James William Dawson, Treasurer
3rd Congressional District Democratic
Party of Wisconsin
2637 13th Court
La Crosse, WI 54601

Response Due Date:
December 2, 2008

Identification Number: C00009456

Reference: October Quarterly Report (7/1/08-9/30/08)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 3 items:

1. Schedule A supporting Line 12 of your report discloses a payment(s) from an organization(s) which is not a political committee(s) registered with the Commission (see attached). It appears the receipt(s) was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution(s) received by your committee from an unregistered

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organization(s) and is prohibited subject to the limits set forth at 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b).

2. Schedule A supporting Line 15 of your report discloses a payment(s) from an individual for apparent goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be a contribution(s) received by your committee from an individual and may be prohibited subject to the limits set forth at 2 U.S.C. §§441a and 441a(f) or 11 CFR §110.1(d).

3. Schedule H4 of your report discloses reimbursements to individuals for "reimbursement for lawn signs." Please be advised that when itemizing reimbursements to individuals for goods or services, payment to the original vendors must be itemized as memo entries regardless of amount. Each memo entry must include the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information and clearly identify on the Schedule H4, which reimbursement each memo entry relates to. 11 CFR §§104.10 and 104.17, and Advisory Opinions 1992-1 and 1996-20, footnote 3

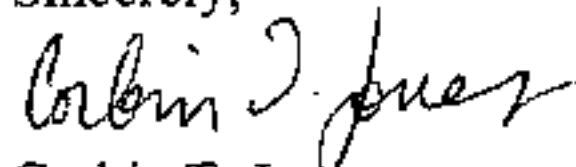
-Schedule H4 discloses 100% non-federal activity. Please be advised that by definition, this activity does not qualify as an expense(s) that can be allocated between your federal and non-federal accounts. If the disbursements were for operating expenditures paid for with 100% federal funds, they should be itemized on Schedule B for Line 21(b) of the Detailed Summary Page. If these expenses were permissibly paid for with 100% non-federal funds, they should not be disclosed on Schedule H4. Further, any reimbursement from your committee's non-federal account for any portion of this activity is not permissible and must be returned. 11 CFR §102.5(a)(1)(i) Please amend your report to clarify this discrepancy.

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Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1177.

Sincerely,



Corbin T. Jones
Senior Campaign Finance Analyst
Reports Analysis Division

3RD CONGRESSIONAL DISTRICT DEMOCRATIC PARTY OF WISCONSIN

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Contributor Name	Date	Amount	Description
Democratic Party of Door County	9/12/08	\$378.00	for yard signs purchased by 3rd cd
Democratic Party of Outagamie Co	9/12/08	\$222.00	for yard signs purchased by 3rd cd
Iowa County Democratic Party	9/12/08	\$630.00	for yard signs purchased by 3rd CD
La Crosse County Democratic Party	9/12/08	\$555.00	for yard signs purchased by 3rd cd
Lafayette County Democrats	9/12/08	\$378.00	for yard signs purchased by 3rd cd
Pepin County Democrats	9/12/08	\$125.00	for yard signs purchased by 3rd cd
Richland County Democratic Party	9/12/08	\$500.00	for yard signs purchaed by 3rd cd
Vernon County Democratic Party	9/12/08	\$588.42	for yard signs purchased by 3rd cd

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